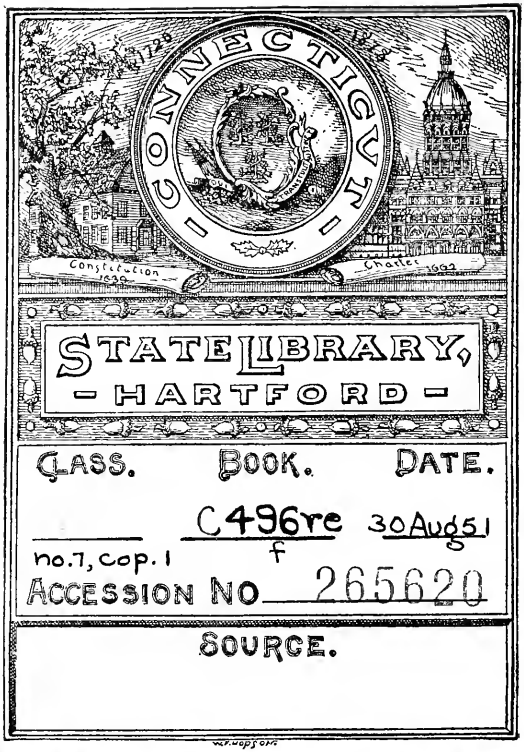

STATE GOVERNMENT ORGANIZATION COMMISSION

FINAL REPORT

Survey Unit No. 7

INDUSTRIAL RELATIONS

November, 1949

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Final Report
Survey Unit #7-Industrial Relations
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INTRODUCTION

This report starts from two basic premises. The first is that all the citizens of Connecticut have an interest in fair employment standards, peaceable industrial relations, adequate information on labor conditions, effective training and placement of workers in available jobs, and adequate protection against the risks of industrial employment. These objectives have a direct value to employers and the general public. In furthering them the state government is serving the public interest and not the interest of one segment of the population alone.

Our second premise is that governmental functions arising out of the employer-employee relationship should be carried on within a single department of the government. This arrangement makes for both operating efficiency and a clear focussing of responsibility. A strong justification is required for any proposed departure from this general principle.

The importance of this group of governmental functions may be underlined by pointing out that the bulk of the population of Connecticut are either employers or employees. At the time of the 1940 Census, 80 per cent of all the gainfully employed people in the state were manual and clerical workers in industries; another 8 per cent were independent proprietors, business managers, or executives; 4 per cent were engaged in agriculture, and 8 per cent in the professions. The great majority of the citizens of the state, therefore, have a direct interest in effective performance of the government's labor functions.

The labor functions now being performed by the State of Connecticut may be grouped into the following general categories:

(a) Establishment of minimum standards of employment, including minimum wages, maximum hours, child labor regulations, safety rules, control of industrial homework, and prevention of discrimination in employment on racial or religious grounds.

(b) Establishment of insurance protection against industrial risks, notably the risks of unemployment, industrial accident, and occupational disease.

(c) Provision of services to employers and employees -- statistical and other informational services, the facilities of the State Employment Service, assistance in the establishment of apprenticeship and other training programs, and so on.

(d) Supervision of union-management relations in intra-state industries.

While most of these functions are currently being performed by the Department of Labor and Factory Inspection, certain of them are performed by other departments or by independent boards and commissions. In Section A of the report, we recommend that virtually all the labor functions now being performed elsewhere be transferred to the Department of Labor, and discuss the problems arising out of these transfers. In Section B, we proceed to consider how the superstructure of the Department should be altered so that it ca most efficiently perform the enlarged functions proposed in Section A.

The Division of Employment Security, which includes the State Employment Service and the unemployment compensation system, is much the largest unit in the Department of Labor, having almost ninety per cent of the total personnel in the Department. Section C considers the major administrative problems now existing within this Division. Section D discusses certain administrative problems in other parts of the Department. It should be emphasized that Sections C and D are not intended as a detailed administrative audit of the Department. In line with the Commission's emphasis on top-level organization, we have confined ourselves to issues of key importance for the Department's work and have omitted many lesser administrative problems.

SUMMARY LIST OF RECOMMENDATIONS

A. SCOPE OF THE DEPARTMENT OF LABOR

1. The Workmen's Compensation Commission should be included in the Department of Labor for administrative purposes, while remaining independent in the adjudication of compensation claims.

2. The Unemployment Compensation Commission should be included in the Department of Labor for administrative purposes, while remaining independent in the adjudication of compensation claims. The Unemployment Commissioners should be made full-time officials of the state government, and should not be permitted to engaged in other gainful employment during their term of office.

3. The Inter-Racial Commission should be included within the Department of Labor.

4. The present State Labor Wage Boards should be abolished and responsibility for determining wage rates on public contracts should be transferred to the Commissioner of Labor.

5. The following functions now performed by other Departments of the state government should be transferred to the Department of Labor: (a) regulation of the employment of child labor in agriculture; (b) regulation of the working hours of bus and truck drivers.

B. TOP MANAGEMENT OF THE DEPARTMENT OF LABOR

1. An Executive Assistant to the Commissioner should be appointed to serve as general executive officer of the Department.

2. The Commissioner of Labor should be appointed for an indefinite term and be removable by the Governor at his discretion.

3. The name of the Department should be changed from "Department of Labor and Factory Inspection" to "Department of Labor". The Department should adopt a standard usage in naming its operating units and in setting titles for the officers in charge of them.

4. There should be an Advisory Council on Labor Legislation, to consult with the Commissioner and his deputies on the formulation and administration of labor legislation. The Council should include equal numbers of labor, management, and public respresentatives, appointed by the Governor for a fixed term, and serving without compensation.

C. ADMINISTRATION OF THE EMPLOYMENT SECURITY DIVISION

1. The placement and unemployment compensation functions of the local offices should be coordinated as closely as possible, under a single local office manager.

2. The two present groups of field supervisors should be integrated into a single service.

3. The Division should experiment with local office payment of unemployment compensation claims, drawing on federal analysts for technical advice. After satisfactory techniques have been worked out in the offices selected for experiment, the system should be extended as rapidly as possible to all local offices in the state.

4. A planning and methods staff section should be established as a permanent feature of the Department. The classification of personnel in this section should be high enough to attract competent and experienced professional people.

D. OTHER ADMINISTRATIVE PROBLEMS WITHIN THE DEPARTMENT OF LABOR

1. The present Minimum Wage Division should be enlarged to included all functions relating to the protection of wage standards, hours standards, women and child labor, and related matters. More specifically, it should: (a) take over the responsibilities now exercised by the Factory Inspection Division with respect to hours of work, child labor, protection of wage-earning women and girls, and licensing of private employment agencies and industrial homework; (b) take charge of the present Wage Claim Adjustment Section; (c) be given authority to administer the "equal pay for equal work" law enacted in 1949. An appropriate title reflecting these broadened responsibilities would be "Wages and Hours Division".

2. A Wage-Order Section should be established within the Wages and Hours Division, with the functions of (a) determining the needs of intra-state employees with respect to new wage orders, (b) assisting Wage Boards in drafting new wage orders, and (c) reviewing existing wage orders periodically for coverage and adequacy in the light of changing conditions.

A. SCOPE OF THE DEPARTMENT OF LABOR

1. The Workmen's Compensation Commission

Recommendation:

the Workmen's Compensation Commission should be included in the Department of Labor for administrative purposes, while remaining independent in the adjudication of compensation claims.

Discussion:

The Workmen's Compensation Commission, created by the Workmen's Compensation Act of 1913, has functioned since that time as an independent agency reporting directly to the Governor. It consists of five commissioners, who maintain separate offices; one in each Congressional district in the state. Each commissioner has full authority to decide cases arising in his district, and appeals from his decisions go directly to the Superior Court of the county. Benefit claims arising under the Act are settled in one of three ways; by a voluntary agreement between the parties, which must be submitted to the commissioner for approval; by informal consultation and conference with the commissioner; and by formal hearings, in which the commissioner makes a finding of fact and issues an award. Some ninety per cent of the compensation claims are settled without a formal hearing.

The commissioners meet monthly to discuss administrative problems and ensure uniformity of procedures and policies. They also consider new judicial interpretations of the Act and discuss possible amendments to the Act. The commissioners as a body have no authority to review or reverse decisions of individual commissioners. It is difficult case, or one in which his view conflicts with previous decisions by other commissioners, until he has discussed the case with the full group.

The chairman's office maintains a central file showing the insurance coverage of employees through the state, maintains other central records and reports, and handles budgeting and others administrative functions. In addition, when a commissioner's docket becomes crowded, the chairman may assign a commissioner who has time available to work temporarily in the overburdened district.

The highly decentralized procedure used in Connecticut, with each commissioner entirely independent in his own district, is found in only four other states. Most states provide that cases shall be heard by the full Commission, or by panels of the Commission, which travel on circuit throught the state. The Connecticut procedure appears, however, to be working efficiently and to the general satisfaction of all parties, and our proposal does not contemplate any change in it. The proposal is that the Commission be included

within the framework of the Labor Department for budgeting, property control, hiring of clerical personnel, and other housekeeping purposes. The commissioners would continue to enjoy their present autonomy in the disposition of compensation claims, this autonomy being protected by gubernatorial appointment for a five-year period.

The considerations in favor of the recommendation are:

(a) The independence of the commissioners is sufficiently protected by the fact that they are appointed by the Governor and that appeals from their decisions lie directly to the courts. More than half of the states which have workmen's compensation commission have attached them to the state department of labor and have found this a workable arrangement. Two quasi-judicial agencies, the State Labor Relations Board and the State Board of Mediation and Arbitration, are already functioning within the Connecticut Department of Labor. The Cross Commission of 1935 recommended that the Workmen's Compensation Commission be included in the Department of Labor.

(b) There would be some saving in cost. The taking over of housekeeping functions by the central staff agencies of the Labor Department would free the time of the Chairman and his staff for their operating duties. This would help to postpone the time at which additional clerical staff may have to be hired to meet the rising case-load of the Commission.

(c) A closer relation between the staff of the Commission and that of the Labor Department would raise operating efficiency in other ways. At the present time, for example, the Commission has a serious problem of checking on whether all employers have the insurance coverage required by law, and has asked that a special investigator be assigned to the Commission for this purpose. Under our recommendation, this work could be done by the regular inspection staff of the Department of Labor. The research staff of the Department could provide accident statistics, analyses of compensation claims, and other statistical services which the Commission now lacks. It would also be possible to develop a closer relation between the Commission and the safety consultants in the Department of Labor, with a view to reducing the types of accident which now give rise to compensation claims.

We have considered the argument that transfer to the Labor Department might weaken the quasi-judicial position of the Commission, but, for the reasons already given, we do not regard this as a serious danger.

A statutory amendment would be required to give effect to this recommendation (see Appendix B).

2. The Unemployment Compensation Commission

Recommendation:

The Unemployment Compensation Commission should be included in the Department of Labor for administrative purposes, while remaining independent in the adjudication of compensation claims. The Unemployment Commissioners should be made full-time officials of the state government, and should not be permitted to engage in other gainful employment during their term of office.

Discussion:

The Unemployment Compensation Commission was created by the Unemployment Compensation Act of 1936. It operated within the Department of Labor from 1936 unti 1945, at which time it was separated from the Department on the basis of a ruling by the Attorney-General of the State. The separation was made, not on grounds of administrative principle, but because of a budgetary disagreement which arose at that time. Our recommendation is that the pre-1945 situation be restored.

There are six commissioners, one for each Congressional District and one for the state at large, appointed by the Governor for overlapping five-year terms. The chairman serves as executive head of the Commission, and is authorized to assign commissioners to duty in other parts of the state as fluctuations in the case load may require. The Commission as a body prescribes rules governing the manner in which disputed claims shall be presented, the reports required from the claimant and from employers, and the conduct of hearings and appeals. The commissioners hold monthly meetings in which they consider general administrative matters, discuss difficult cases, and attempt to resolve issues which might otherwise lead to conflicting decisions.

The commissioners function exclusively in an appellate capacity. The initial decision on eligibility of a worker for compensation is made in the local office where the claim was filed. This decision is final unless appealed by the worker or employer within seven days. An appeal is normally heard by the commissioner in whose district the claim was filed. Each commissioner rides circuit among the cities in his district, so that appeals can be heard in the place where they arose. The hearing procedure is formal, with sworn testimony and a verbatim transcript. The commissioner's decision is binding unless appealed within fifteen days to the Superior Court of the county. The commission as a whole does not hear cases and has no authority over the decisions of individual commissioners. In cases involving a labor dispute, however, it is customary for the chairman to assign two other commissioners to sit with the commissioner for the district, and a decision is reached by a majority of the three-man panel.

The present Connecticut arrangement of an entirely separate body to hear unemployment compensation appeals is found in only three other states in the country. Fifteen states included this appeals body within the state department of labor. Twenty-six states maintain

separate departments to administer unemployment compensation and the state employment service, and include the appeals group within this department. Three states combine the functions of hearing unemployment compensation and workmen's compensation appeals in the same board.

The main reasons for recommending that the Unemployment Commissioners should operate within the framework of the Labor Department are:

(a) The present arrangement creates an extra unit of government, without any demonstrable advantages from the separation, and in contradiction to the prevailing practice inother states.

(b) The autonomy of the commissioners is fully protected by their fixed tenure of office, and experience in other states indicates that autonomy need not be impaired by location within an administrative department.

(c) There seems little merit in the contention that the commissioners' present statusgives greater assurance of a fair trial to aggrieved parties than would be obtained if the commissioners were part of the Department of Labor. The safeguards to the parties inhere in the procedures of due notice, full hearing and final appeal to the courts. These procedures would not be changed by re-location of the Commission.

(d) It is desirable that the commissioners, while retaining their independence of judgment, should consult frequently with the unemployment compensation administrators for interpretation of the basic statute. There can be too much independence of operation as well as too little. Inclusion of the Commission within the Department would provide greater opportunity and incentive for conferences between the commissioners and the administrators concerning basic policies. To urge that the two parties reach some consensus on the general standards to be applied in deciding claims is merely to say that they, rather than the courts, should resolve the policy problems of the unemployment compensation act. This in no way impairs the Commissioners' freedom of judgment as to whether theagreed standards have been properly applied in individual cases.

(e) There are potential operating economies of some importance. If both the workmen's compensation and unemployment compensation commissioners in Bridgeport, New Haven, and other cities were part of the Labor Department, it would be possible to locate their offices together and perhaps effect some pooling of office staff. One might even in time develop local branch offices of the state Labor Department, which could be used as a headquarters and control point for factory inspectors, minimum wage inspectors, and other Department personnel operating in the locality. At the present time, inspectors frequently operate from their own homes, an arrangement which leaves something to be desired.

The main argument against the recommendation is a possible encroachment on the commissioners' independence of judgment. We do not regard this as a serious offset to the numerous advantages of the proposal.

Effectuation of our recommendation would not appear to require any statutory change, since the present statute is identical with that under which the commissioners functioned inside the Labor Department from 1936 to 1945. If a statutory change is considered necessary to clarify the situation, an appropriate change is suggested in Appendix B.

The second part of our recommendation concerns the present part-time status of the unemployment compensation commissioners. In recognition of this status, the commissioners are paid only $5,000 per year compared with the $8,000 per year paid to the workmen's compensation commissioners. The unemployment compensation commissioners are permitted to engage also in other occupations (several of them are practicing attorneys), while the workmen's compensation commissioners are forbidden to do so.

The amount of time spent by the commissioners on their duties varies from month to month with fluctuations in the case load, and also varies somewhat from district to district. During the period January 1948 -- September 1949, the regular cases (exclusive of labor dispute cases) decided by the six commissioners varied from a low of 138 to a high of 301 per month. The commissioner in the busiest district handled 1,250 cases during this twenty-one month period, compared with 466 for the least busy district. The commissioner of the busiest district would appear to have, on the average, at least a half-time job. The two slackest districts, on the other hand, would not appear to require even half time. There seems little doubt that three full-time commissioners could handle the normal monthly case-load.

The main-reasons for recommending that the unemployment commissioners be made full-time officials are:

(a) Experience indicates that part-time appointments are usually rather costly to a governmental agency because of the impossibility of determining precise time requirements for the job.

(b) Unemployment compensation commissioners in other states are almost invariably full-time employees.

(c) Adjudicating compensation claims is a complex and responsible task. A commissioner should be free to devote his whole attention to it without any conflicting duties or responsibilities.

(d) The present arrangement is inequitable in comparison with that for the workmen's compensation commissioners. The latter group is held to a fixed, and rather low, level of earnings, although their work is at least as difficult and responsible as that of the unemployment commissioners.

(e) The problem of fluctuating work loads could be met by assigning a commissioner from one district to assist in another district or, if all commissioners are over-burdened, by appointing special commissioners on a temporary basis. Both these practices are permitted by the present law.

The main arguments against the recommendation are that it would involve departure from Congressional district lines; and that some of the present commissioners would not wish to serve under a full-time arrangement, so that it would be necessary to appoint new and inexperience people. These arguments seem to be outweighed by the positive considerations already advanced.

Acceptance of this recommendation would imply reduction of the number of commissioners from six to (probably) three, and an appropriate increase in the level of commissioners' salaries. This would require an amendment to present statutes (see Appendix B).

3. The Inter-Racial Commission

Recommendation:

The Inter-Racial Commission should be included within the Department of Labor.

Discussion:

The Inter-Racial Commission was created in 1943 as a research and advisory body. Beginning in 1947, it has gradually been given authority to prevent discrimination on grounds of race, religion or national origin in specified areas of economic and social life. It has clear-cut authority over discrimination in employment opportunities, public housing projects, and public accommodations (hotels, restaurants, resorts, places of amusement and recreation, public transportation, and the like). It has somewhat less definite authority concerning education, civil rights, and other areas of possible discrimination. In addition to its enforcement powers, it is authorized to conduct research, compile information on discriminatory practices, and carry on educational programs designed to improve inter-group relationships. About half of the total staff time is devoted to educational and research activities, the remainder to enforcement activities.

The Commission, a ten-member unpaid body, meets monthly to formulate policies and review the work of the staff. The full-time staff, consisting of sixteen people, is supervised by an Executive Secretary who reports to the Commission.

The bulk of the enforcement activity to date has involved discrimination in employment, i.e., hiring promotion, work assignment, or discharge. All complaints have thus far been adjusted by informal methods. In the event of continued non-compliance, however, the Commission is authorized to order a public hearing before a three-man panel drawn either from the Commission or from a list of

hearing examiners. If the complaint appears justified, the Commission may issue a cease and desist order and, if necessary, petition the courts for enforcement. The existence of these reserve powers has no doubt been of material help in securing voluntary compliance.

The Inter-Racial Commission has functioned since its creation as an independent agency reporting directly to the Governor. New Jersey is the only other state having an anti-discrimination enforcement staff with the broad authority of the Connecticut Commission. In New Jersey, this staff functions under an assistant to the Commissioner of Education. Six states have fair employment practice laws administered by an independent commission; and several additional states have fair employment practice laws without special provision for their enforcement.

If the work of the Connecticut Inter-Racial Commission is to be integrated into the regular departmental structure of the state government, there are two main possibilities. First, all functions of the Commission might be transferred to the Department of Labor. Second, the functions of the Commission might be divided among the various departments which have an interest in its work -- particularly the Department of Labor, Department of Education, and State Housing Authority.

Our main reasons for recommending the first alternative are:

(a) Separation of the Commission's work among several departments would lower the effectiveness of the program and raise operating costs. The various activities of the Commission interlock at so many points that it is highly desirable to keep them together under one roof.

(b) Since the bulk of the Commission's enforcement activity lies in the field of employment, location within the Department of Labor is more logical than any other location. Among other things, the Commission would be able to make some use of the large inspection staff of the Department, with a consequent gain in the coverage and intensity of its activities.

(c) Location of the Commission within a Department is desirable also in order to ensure adequate supervision over the Executive Secretary and staff, and to provide strong continuing support for the program. The Executive Secretary is presently in a rather isolated position both as regards administrative supervision and as regards budgetary and other support. It seems doubtful that these needs can be met by a volunteer Commission meeting at monthly intervals.

(d) The Commission members could continue to perform their very useful functions within the framework of the Labor Department.

Responsibility for day-to-day supervision of staff activities, however, would fall on the Commissioner of Labor and his deputies.

The main arguments against the proposal are that location within the Labor Department might conceivably render the staff more liable to political interference with its work; that the research and educational activities might be slighted and emphasis placed mainly on enforcement of fair employment practices; and that the highly controversial nautre of the program might handicap the Department in its dealings with unions and management on other matters. We do not regard these difficulties as insuperable, however, nor do we consider them important enough to offset the advantages noted previously.

Adoption of the recommendation would involve statutory changes (see Appendix B).

4. The State Labor Wage Baords.

Recommendations:

The present State Labor Wage Boards should be abolished and responsibility for determining wage rates on public contracts should be transferred to the Commissioner of Labor.

Discussion:

Present statutes provide for (1) a board "to determine hours of labor and wages of persons employed in the construction of state buildings", and (2) a board "to determine the prevailing rate of wages on road and bridge work authorized by the state". The two boards have an identical membership, however, consisting of one labor and one management representative with a neutral chairman. The members meet at irregular intervals on the call of the chairman, and are paid on a per diem basis. The rates set normally follow the union scale where one exists, and in other cases are based on an informal canvass of wage rates in the area. Complaints of violation of the rates set by the board are investigated by inspectors from the Department of Labor.

It is difficult to find any justification for the present arrangement, except perhaps that it relieves the Labor Department of responsibility for making wage determinations which might occasionally be unpopular with unions or employers. Only three other jurisdictions, so far as we can discover, use an arrangement similar to that in Connecticut; these are New York, Vermont, and Alaska. In the great majority of states, the duty of determining prevailing wage rates is delegated to the Commissioner of Labor, or to some branch of the Labor Department (such as the division of factory inspection, the minimum wage division, or the bureau of research and statistics), or to the agency letting the contract. We believe that an efficient arrangement would be to authorize the Connecticut Commissioner of Labor to determine prevailing wage rates for public contract purposes, drawing on any division of the Department for relevant information.

The main considerations behind this recommendation are:

(a) The task involved is relatively simple, and the mechanism of a three-man board seems needlessly elaborate.

(b) The requirement that both parties must be given opportunity for a hearing before rates are set could be met as readily inside the Labor Department as outside it -- witness the established procedure for issuing minimum wage orders for intra-state industries.

(c) The Labor Department does most of the job in any event. It has the basic statistics necessary to determine prevailing rates; it also has the enforcement staff necessary to police conformance with the rates established. It seems efficient, therefore, to concentrate the entire job of public works wage determination within the Department.

Adoption of this recommendation would require statutory amendments (see Appendix B).

5. Transfer of Labor Functions from Other Departments

Recommendation:

The following functions now performed by other departments of the state government should be transferred to the Department of Labor:
(a) regulation of the employment of child labor in agriculture;
(b) regulation of the working hours of bus and truck drivers.

Discussion:

Section 7374 of the General Statutes provides that no minors below the age of fourteen shall be employed in agriculture, and that no minor aged 14 or 15 shall be employed for more than 8 hours per day or more than 48 hours per week. The law is administered by the Commissioner of Farms and Markets. Enforcement is carried on through part-time inspectors, most of whom are school-teachers employed on a per diem basis during the summer months. Compliance is sought on a voluntary basis as far as possible, and no cases have been taken to court thus far. Enforcement activity centers mainly in the tobacco fields, which employ several thousand young people during the summer months of each year.

The main reasons for proposing that this function be transferred to the Department of Labor are:

(a) The Department is responsible for enforcing child labor regulations in all other types of intra-state industry. There seems no reason why agriculture should be treated as an exceptional case.

(b) The Department has a large staff of full-time inspectors who could readily handle this additional function. Agriculture would require attention for only three or four months out of each year.

By a proper scheduling of work, certain Department of Labor Inspectors could spend part of their time in agriculture during these months and return full-time to industry during the rest of the year.

(c) The inspection work would be supervised by a chief inspector who is concerned entirely with this type of activity. At the present time, the work is supervised by an officer of the Department of Farms and Markets who main function is to direct the seed program of the Department, and whose child labor functions are quite incidental.

This proposal would require a statutory amendment (See Appendix B).

There is at present a legal limitation on the working hours of drivers of commercial motor vehicles, designed mainly to prevent fatigue and accidents resulting from overwork. The statute effects primarily local trucking and transportation, since hours of drivers in inter-state commerce are controlled by the Interstate Commerce Commission. It is administered by the Commissioner of Motor Vehicles, who is authorized to make rules and regulations for its enforcement.

The reasons for recommending that this function be transferred to the Department of Labor are:

(a) The Department of Labor administers all other regulations over working hours in intra-state industries, and there seems no reason to treat this as an exceptional case.

(b) The Department of Motor Vehicles currently has no administrative arrangements for enforcement of the statute, and it would be unduly expensive for it to create a special staff for this purpose.

(c) The Department of Labor already inspects the books of local trucking companies in order to check on compliance with minimum wage regulations. It would be relatively simple to check on hours of work at the same time.

B. TOP MANAGEMENT OF THE DEPARTMENT OF LABOR

1. Executive Assistant to the Commissioner

Recommendation:

An Executive Assistant to the Commissioner should be appointed to serve as general executive officer of the Department.

Discussion:

The Commissioner now has two operating deputies -- one in charge of the Employment Security Division, and one in charge of all other functions of the Department. We propose that an additional position of Executive Assistant to the Commissioner be created. This officer would perform the following main functions:

i. advise the Commissioner on legislative and administrative programs and policies;

ii. maintain contact with the quasi-judicial boards which report directly to the Commissioner -- the State Labor Relations Board and State Board of Mediation and Arbitration, already in the Department; and the Workmen's Compensation Commission, Unemployment Compensation Commission, and Interracial Commission, which we have proposed to be transferred to the Department.

iii. serve as secretary of the Advisory Council on Labor Legislation, recommended in Section B. 5 below.

iv. represent the Department at meetings for which the Commissioner is unavailable, and assist generally in the external contacts of the Department.

The proposed Executive Assistant would not have line authority over the two operating deputies, who would continue to report directly to the Commissioner. The present and proposed top organization of the Department are shown in Appendix A, Charts 1 and 2.

The main considerations in favor of the proposal are:

(a) The Commissioner's job looks out toward the public. His duties require him to represent the Department of Labor throughout the state, consult with the Governor, consult with Federal officials, the officials of other states, and the officials of other Departments. He must be free to perform these functions adequately without sacrificing efficient over-all supervision of the Department. An executive officer would free him for these outside duties.

(b) The Commissioner's job is to make policy. The effective consideration of policy requires leisure, perspective, a concentration upon broad issues. Constant attention to the problems of office

space, personnel assignments, training programs, and other management details impair the consideration of policy.

(c) The experience of military and civil administrative units universally recommends the use of an executive officer as second in command and management supervisor. The "Hoover Commission" task force report on Departmental Management states, "The prevailing practice in departments which has made the Under Secretary the top management official of a department under the department head should be clearly recognized and continued." (Appendix E, p.11).

The main arguments against the proposal are that it involves additional expense, that the Commissioner himself should be able to perform all the functions listed above, and that it has absence one of the two operating deputies could serve as "acting commissioner". We believe, however, that the advantages to be gained would more than offset the cost of the additional position. Adoption of the proposal would require statutory authority (see Appendix B).

2. Tenure of the Commissioner

Recommendation:

The commissioner of Labor should be appointed for an indefinite term and be removable by the Governor at his discretion.

Discussion:

This recommendation is included for purposes of completeness and with due recognition of the fact that the Commission will doubtless wish to adopt some overall policy concerning tenure of department heads.

The Commissioner of Labor is presently appointed by the Governor, with the advice and consent of the Senate, for a four-year term. This term does not coincide with the Governor's term so that, in the event of a change in administration, the new Governor may have to work for two or three years with a Commissioner appointed by the opposing party. In support of this arrangement, it may be argued that it ensures continuity of administration over at least a four-year period. Moreover, fixed tenure protects the Commissioner against political interference and allows him latitude for the development of his programs.

The main considerations in favor of the recommended change are:

(a) The Commissioner is a policy-making officer. As such, he both advises the Governor and translates the Governor's policies into action. If the Commissioner's policies differ from those of the Governor, neither of these duties will be well performed. Such divergence tempts the Governor to by-pass the Commissioner and to rel, on extra-Departmental sources of advice.

(b) The Governor is held responsible for the functioning of the Department. Without the power of appointment and removal, he cannot amend and direct the performance of the Department's duties. It is improper to impose responsibility without a corresponding grant of authority.

(c) The Commissioner has no quasi-judicial functions which require protection in the sense that a member of the State Labor Relations Board or the Unemployment Compensation Commission requires protection.

Adoption of this recommendation would require the statutory changes noted in Appendix B.

3. Unified Nomenclature Within the Department

Recommendation:

The name of the Department should be changed from "Department of Labor and Factory Inspection" to "Department of Labor". The Department should adopt a standard usage in naming its operating units and in setting titles for the officers in charge of them.

Discussion:

The name of the Department dates from a period in which factory inspection was almost its only function. Since that time, however, many new functions have been added. The inspection staff now numbers only thirty-four out of a total of some nine hundred employees in the Department, and inspects a wide range of mercantile and other establishments in addition to factories. The present name has thus become obsolete, and there is general agreement within the Department that it should be contracted to "Department of Labor". The Department has, in fact, already adopted this usage on its letterheads, and it is desirable that existing practice be regularized by appropriate statutory amendments (see Appendix B).

There is now no standard nomenclature in the Department either with reference to administrative units or titles. The "Executive Director" of the Employment Security Division supervises the "Director" of the Employment Service. The "Bureau" of Labor Statistics is on a par with the Minimum Wage "Division". The Deputy Commissioner of the Labor Bureau supervises the Deputy Commissioner of Factory Inspection. Many of the terms used are archaic and reflect past history rather than the current situation. Standardization of terminology would require little effort and would have definite advantages in comprehensibility and rationality. Concrete suggestions for a standard terminology are presented in a supplementary memorandum (see Appendix C). Some of the suggestions would require minor statutory changes (see Appendix B).

4. Advisory Council on Labor Legislation

Recommendations:

There should be an Advisory Council on Labor Legislation to consult with the Commissioner and his deputies on the formulation and administration of labor legislation. The Council should include equal numbers of labor, management, and public representatives, appointed by the Governor for a fixed term, and serving without compensation.

Discussion:

Two tri-partite advisory councils are currently in operation: (1) an Advisory Council on the Unemployment Compensation system, appointed by the Governor; (2) an Advisory Council on the State Employment Service, appointed by the Commissioner of Labor. The latter body is required by the federal Wagner-Peyser Act, while the former is required by the Connecticut Unemployment Compensation Act.

Experience with such advisory bodies, both in Connecticut and in other states, indicates that they can perform useful functions. They focus the knowledge and experience of interested parties outside the government on the problems of formulating and administering labor legislation, and do this in a systematic, time-saving fashion. They bring out differences in the interests and viewpoints of the parties affected by proposed legislation or administrative orders. Even when there is strong disagreement between labor and management representatives, opportunity to voice this disagreement in a neutral atmosphere seems to have a constructive and pacifying effect.

The most difficult question which arises is whether one should have a general advisory council for all types of labor legislation, or a series of specialized councils to advise on unemployment compensation, workmen's compensation, labor relations regislation, and so on. In favor of the latter alternative, it may be argued that specialization makes for greater technical competence, particularly in the case of public representatives. One can appoint a good actuary to the unemployment compensation group, a medical man to advise on workmen's group, and so on. On the other hand, experience indicates that the same labor and management representatives tend to be nominated for every type of public body. Multiplication of advisory councils may mean, therefore, that the same people were called on to attend more and more meetings.

On the whole, the advantage seems to be with a single general purpose advisory council. This could be made sufficiently large that specialized committees could be set up to consult on particular types of legislation. The legal requirements of the Wagner-Peyser act and the Connecticut Unemployment Compensation Act could be met

by naming either the Advisory Council as a whole or certain committees of the Council as the bodies required to be appointed under these acts.

In order for the Council to achieve its greatest usefulness, it should take the initiative on legislative and administrative proposals rathern than simply listening to proposals brought to it by the Commissioner. It should meet regularly, rather than at the call of the Commissioner, and members should be reimbursed for necessary travel expenses.

C. ADMINISTRATION OF THE EMPLOYMENT SECURITY DIVISION

1. Coordination of Local Office Operations

Recommendation:

The placement and unemployment compensation functions of the local offices should be coordinated as closely as possible, under a single local office manager.

Discussion:

The local offices do two kinds of work. Their primary function is to register unemployed workers, secure job orders from employers, and try to match men and jobs. Where a worker cannot be placed in a vacant job, the local office assists him to file a claim for unemployment compensation and makes an initial determination concerning his eligibility. The claim is then sent to Hartford, where the worker's benefit rate is calculated and checks mailed to eligible claimants. The personnel of the local compensation work. In Hartford, on the other hand, the unemployment compensation staff numbers some 320 people, compared with only 13 in the employment service. Unemployment compensation requires a large amount of central bookeeping, whereas placement is almost entirely a field operation.

The work of the local offices is organized somewhat differently in different states. There is normally a single manager, who supervises both functions of the office. In some states the staff is completely integrated as well, i.e., the same people do placement work and process unemployment compensation claims as well. More usually, however, there is some specialization of functions; some staff members are assigned primarily to placement interviewing, others to claims taking. Even where personnel is specialized, there is usually some arrangement for temporary transfer of personnel from one function to the other in order to handle fluctuations in work loads.

The present situation in Connecticut is one of unusally sharp separation between the two functions. In each local office there are, in effect, two separate managers -- one for unemployment compensation, one for employment service activities. Each manager has his own staff; each reports to a separate field supervisor; and the field supervisors in turn report to separate departments of the Employment Security Division in Hartford. The present administrative structure is shown in Appendix A, Chart 3.

The separation is not complete. Employment service and unemployment compensation officials are located in the same building, and usually in the same room. The employment service manager has certain minimum responsibilities, largely confined to procurement

of supplies, for the functioning of the entire office. In times of exceptionally heavy unemployment, employment service personnel have sometimes been "loaned" to the unemployment compensation department on a short-term basis. In all other respects, however, the two operations are independent of each other. The employment service manger has no authority over the personnel, procedures, or policies of the unemployment compensation director (termed an "examiner")in the local office.

Our observations of the present operation of the system lead us to conclude that separation of functions has been overdone, and that steps should be taken to gear the activities of the local offices more closely together. Complete integration of operations, i.e., handling of placement and unemployment compensation work by the same staff members without any specialization of functions, does not seem desirable for reasons set forth in Appendix C. 2. Without going this far, however, a number of things could be accomplished: (1) unified office management, procurement of supplies, and so on: (2) pooling of stenographic and other clerical personnel; (3) coordination of hiring and layoff decisions, so that people no longer needed on one size of the office can be considered for vacancies on the other; (4) freer lending back and forth of claims examiners and placement interviewers; (5) in order to facilitate such lending, broader training of people doing one type of work in the other functions of the local office; (6) better recognition by local office personnel that their work is inter-related, and that placement of unemployed workers in jobs is of primary importance.

Attainment of this degree of coordination seems to us to require a single local office manager. This practice already prevails in most other states and is recommended increasingly by federal employment security officials. In order to ensure that the placement work of the office is kept in the foreground, the manager should be someone with employment service training and experience. The manager could be seconded by an assistant with unemployment compensation experience or, in the larger offices, by two assistants -- a chief placement interviewer and a chief claims examiner -- for detailed supervision of the two types of activity. He should have clear authority over the office as a whole, however, and be able to effect the types of coordination mentioned in the previous paragraph.

This change in local office organization could be accomplished by administrative action within the Employment Security Division and requires no statutory changes.

2. Integration of Field Supervision

Recommendation:

The two present groups of field supervisors should be integrated into a single service.

Discussion:

Integration of field supervision over the local offices appears desirable in principle and also gives promise of economies in personnel. There are presently three field supervisors in the unemployment compensation department, each covering about six local offices, and reporting to a chief of claims and field offices in Hartford. There are also three supervisors of employment service operations, covering six local offices each, and reporting to a chief supervisor in Hartford. We propose that both functions of a local office be supervised by the same man, and that these field supervisors report to a single Chief Supervisor who shall be responsible for the effectiveness of local office performance. The present and proposed situations are shown in Charts 3 and 4 of Appendix A.

The advantages of the dual supervisory arrangement in current practice are:

(a) There is a clear line of authority from the officer responsible for each program to his local staff. His policies are supervised and executed by personnel responsible to him alone. There is no opportunity for "buck passing" or evasion of responsibility. (b) Supervisory personnel specialize in the problems of only one service. This increases their expertness and their usefulness to the local offices.

We consider, however, that these points are more than overborne by the advantages of the proposed change:

(a) The single office manager proposed in the previous section would have to report only to one supervisor instead of two.

(b) Disagreements arising within the local office could be settled quickly and authoritatively without having to be passed up two separate lines of supervision to Hartford. The present arrangement provides no common authority short of the Executive Director of the Division. Reconciliation at his high level implies that many problems fester for long periods and may never be resolved, while such appeals as are made occupy the time of the Executive Director with matters which have no proper place at his level. Integrated supervision would establish an authority directly superior to the field managers, in frequent contact with their problems, able to resolve these issues.

(c) The role of the supervisor is (1) to make sure that work is kept current, that is, inspection and policing, (2) to communicate the Division's policy to the local office and see that it is executed, (3) to suggest improved methods and to exchange suggestions among the various field offices. The first two of these functions can be

performed by officers broadly familiar with both programs as well as by the specialist. While the third function can be performed less well by a single supervisor, the necessary technical supervision and assistance to the local office can be brought about in other ways -- notably, through the creation of a "planning and methods" unit as recommended below (see Section C.4). The creation of such a unit is a better expenditure of funds than duplicating field supervisors.

(d) Experience in other states supports the view that one supervisor can oversee both programs. Federal employment security officials now recommend a single lines of supervision from headquarters to the local offices.

(e) There could be a reduction in present supervisory personnel with no loss in operating efficiency.

There is some question as to where the Chief Supervisor should be located in the top administrative structure of the Employment Security Division. One alternative is to have him report directly to the head of the Division, thus placing him on a level with the directors of the unemployment compensation department and the state employment service. A second possibility is to locate him under the director of the state employment service, thus mking the latter responsible for all aspects of field operations. The second alternative, which seems to us the preferable one, is used in a considerable number of states and was used in Connecticut in 1940-41 until, with the coming of war, authority over employment service operations was transferred to the Federal government. The structure of the Employment Security Division under this alternative is shownin Appendix A, Chart 4.

The other alternative, a Chief Supervisor reporting directly to the Division head, would give the latter three deputies instead of two. Moreover, it would leave the director of the State Employment Service with very little to do, since this is almost entirely a field operation and has a very small central office staff. Our proposal avoids this difficulty and has the advantage of re-emphasizing the prime importance of job placement. Unemployment compensation policies and procedures in the field would continue, of course, to be laid down by the Director of that department; but responsibility for their efficient performance would rest with the line supervisors.

This recommendation could be put into effect by administrative action within the Division of Employment Security.

3. Decentralization of Claims Payments to Local Offices

Recommendations:

The Employment Security Division should experiment with local office payment of unemployment compensation claims, drawing on federal analysts for technical advice. After satisfactory techniques

have been worked out in the offices selected for experiment, the system should be extended as rapidly as possible to other local offices throughout the state.

Discussion:

Unemployment compensation claims are filed in the local offices throughout the state, but all payments are mailed out from Hartford. The Division reports that the elapsed time from the filing of a compensable claim in a local office to receipt of payment by the claimant is currently averaging about three days, though it has sometimes averaged considerably more than this when the claim load was heavy. This time is additional to the time elapsing between the date of layoff and the filing of a compensable claim.

The principal disadvantages of local office claims payment are:

(a) It would require additional personnel and bookkeeping equipment in the local offices, which probably could not be offset entirely by reductions in the central office. A certain amount of central office control would still be necessary, and state fiscal officials might insist on pre-auditing of payments in Hartford to prevent possible misappropriation of funds.

(b) In some offices, at least, local payment would require more office space which would add to rental costs.

The considerations in favor of local office payment are:

(a) The claimant must under the present law wait at least two weeks from the time he is laid off to the time he is entitled to receive his first payment in a benefit year. Additional delay in the actual receipt of the check increases his embarrassment, his needs, and possibly his debts. Elimination of the time now required for central office payment would be of material assistance to unemployed claimants.

(b) Experience of other states, including the neighboring state of Rhode Island, does not support the view that local office payment is necessarily more expensive. The present policy of the Boston Regional Office of the Federal Employment Security Division is to recommend local office payment.

(c) Experimental payment in one or two selected local offices, such as Hartford or New Haven, would help to resolve doubts and ensure adequate procedures before a major commitment was made. If this required temporary duplication of facilities and additional expense, request might be made to the Regional office for a special grant for experimental purposes.

This recommendation could be carried out by administrative action within the Division of Employment Security.

4. Planning of Methods and Procedures

Recommendation:

A planning and methods staff section should be established as a permanent feature of the Department. The classification of personnel in this section should be high enough to attract competent and experienced professional people.

Discussion:

The present administrative structure of the Division appears quite complex and expensive. The unemployment compensation department has twenty-two divisions engaged in the processing of claims, benefit payments, and employer contributions, the employment serviced has four overhead units, and the two services together have sixteen staff units grouped under five major headings. The work flows and processing procedures have not been adequately scrutinized by specialized management experts. A reports and analysis section of the research division collects data on work-loads and costs, but, for lack of staff, the use of this material in efficiency engineering is undeveloped. The Employment Security Division uses reports and forms by the score, yet proper appraisal of these forms and reports has been impossible without specialized personnel.

There is no strong incentive to reduce costs, since these are paid from federal grants rather than from state sources. While federal officials supervise the state programs, they are not in a position to appraise individual procedures in sufficient detail to eliminate possible instances of waste or duplication.

The main considerations in favor of the recommendation are:

(a) An unofficial estimate by the Boston Regional Office indicates that unit costs are higher in Connecticut than in most other states. Taking the national average of man-hours required per unit of service rendered as the basis of comparison (equal to 1.00 in the table), Connecticut compared as follows with other New England states for the fiscal year ending June 30, 1949:

Employment Service		Unemployment Compensation	
Mass.	.79	Maine	.89
Maine	.95	R.I.	.91
R.I.	1.09	Mass.	.90
Conn.	1.11	N.H.	1.08
N.H.	1.31	Conn.	1.32
Vermont	1.79	Vermont	1.85

While such a comparison neglects differences in the quality of services rendered, and differences due to the level of work-load (a high level of claims cuts unit costs), the data create a presumption in favor of further inquiry and greater effort to reduce unit costs.

(b) The supervisory personnel of the Employment Security Division need positive information on points where they now have only a general "hunch". It is doubtful, for example, whether the present pre-audit of claims payments is necessary. The annual personnel cost of the unit which performs this service is $98,340. Eliminating or reducing this cost would more than offset the cost of a Planning and Methods Section. Again, there is difference of opinion as to whether it is necessary to review all non-monetary determinations in the central office, or whether a less expensive spot-check procedure would be sufficient. A careful study would settle this and other similar matters.

(c) In Section C. 2 above, it was suggested that field supervision of local offices be reduced. This reduction of supervision at the field level needs to be compensated by alternative supervisory techniques involving statistical analysis of local office performance, spotting weak points, and developing specific corrective measures.

(d) While the section would be engaged mainly in analysis of Employment Security operations, it could also do useful work on procedures in other parts of the Department of Labor.

Against the recommendation it may be argued that it would constitute an unnecessary addition to the overhead expense of the Department, and that the present reports and analysis section of the research division performs all necessary services along this line. We do not regard these arguments as persuasive.

This recommendation would require no statutory change, with the possible exception of creation of new positions for the personnel of the planning and methods section.

D. OTHER ADMINISTRATIVE PROBLEMS WITHIN THE DEPARTMENT OF LABOR

1. Establishment of a Wages and Hours Division

Recommendation:

The present Minimum Wage Division should be enlarged to include all functions relating to the protection of wage standards, hours standards, women and child labor, and related matters. More specifically, it should: (a) take over the responsibilities now exercised by the Factory Inspection Division with respect to hours of work, child labor, protection of wage-earning women and girls, and licensing of private employment agencies and industrial homework; (b) take charge of the present Wage Claim Adjustment Section ; (c) be given authority to administer the "equal pay for equal work" law enacted in 1949. An appropriate title reflecting these broadened responsibilities would be "Wages and Hours Division."

Discussion:

Responsibility for enforcing the wages, hours, and child labor laws of the state is now divided between the Division of Factory Inspection and the Minimum Wage Division. The reasons for this are historical rather than logical. Concern for the physical safety of employees received legislative expression at a relatively early stage. A series of measures, beginning in 1885, provided an inspection service to protect employees and the public against physical, sanitary, and fire hazards. In the absence of other inspection and administrative services, the factory inspectors gradually acquired responsibility for policing the growing body of matters. The time seems to have come for a reappraisal of functions, in order to correct the accidents of history and haphazard growth.

In addition to enforcing safety and sanitation laws, the Factory Inspection Division now enforces the following economic and social legislation: (a) limitation of hours for women and children in inter-state and intra-state commerce, and hours of men in a few specified employments; (b) prohibition (with a few exceptions) of employment of children under sixteen years of age in inter-state or intra-state commerce; (c) licensing of private employment agencies and of industrial homework; (d) employment of a special Industrial Investigator to investigate "the wages, hours of employment, necessary expense of living and health...of wage-earning women and girls..." Some thirty-six inspectors are employed for these purposes. The Minimum Wage Division, with eleven inspectors, is responsible for enforcing the minimum wage orders covering specified types of intra-state industry. Arrangements have been worked out between the two divisions to avoid duplicate inspection insofar as possible.

Our proposal is that the Factory Inspection Division be restored to its original function of protecting workers and the public against physical, sanitary, and fire hazards. Enforcement of economic and social standards of employment would become the responsibility of

the Wages and Hours Division. This would mean a redistribution and reorientation of existing inspection personnel rather than an expansion of personnel.

The considerations in favor of the recommendation are:

(a) The skills involved in checking violations of hours and child labor laws are quite different from those involved in gauging mechanical risks, the need for fire escapes, or the need for guards on machinery. The principal source of information on hours is the employer's records. This kind of inspection requires clerical aptitude and an elementary knowledge of bookkeeping. The safety expert, on the other hand, is a man with industrial or engineering experience. Engineers are mot likely to do the best job of policing economic regulations.

(b) Violations of safety rules and violations of hours and child labor regulations are likely to be concentrated in different types of industry. For example, among the industries with the highest relative violations of the Federal Fair Labor Standards Law are: real estate offices; chain, department, and mail order stores; newspaper publishing and distribution; and millinery and hat manufacturing. None of these industries, on the other hand, presents a major safety problem. Enforcement of hours and child labor legislation should be concentrated on the areas of greatest previous violation. This concentration is made easier by an administrative arrangement which divorces responsibility for economic functions from responsibility for mechanical and fire safety. The factory inspectors, on the other hand, should be free to concentrate where there is danger to safety but relatively little economic violation, as in the comparatively neglected area of construction.

(c) In marginal areas, where unnecessary and unfruitful duplication of inspection might occur, a single inspector could be used and information exchanged between the two units. The Minimum Wage Inspectors should continue, as now, to report serious safety violations to the Factory Inspectors. The Factory Inspectors, on the other hand, should report violations of child labor and other provisions in the plants they visit.

(d) The Federal Wages and Hours and Public Contracts Divisions have recently established a policy of concentrating inspection of the minimum wage, overtime, public contracts, and child labor provisions of the Federal law in the same inspectors. Their experience suggests that violations of child labor laws can be enforced successfully by wages and hours inspectors.

(e) The dangers against which protection is sought through licensing of private employment agencies and industrial homework are primarily economic dangers -- excessive fees or "kick-backs" in the case of employment agencies, undermining of wage and hour standards in the case of homework.

(f) The Industrial Investigator assigned to special problems of women's work also has primarily economic and social responsibilities. The principle of grouping like functions requires that these responsibilities be vested in the Wages and Hours Division.

The Wage Claim Adjustment Section of the Department, consisting of two wage claim adjusters and a part-time stenographer, is responsible for assisting employees in collecting legitimate wage claims against employers. While the Director of the Minimum Wage Division also directs the work of the Wage Claims Adjustment Section, current opinion in the Department regards the two units as parallel and they appear on the same level in the organization chart.

We recommend that the Wage Claim Adjustment Section be formally recognized as a subordinate unit of the Wages and Hours Division. The advantages of such subordination are (a) recognition of a de facto situation, and (b) the possibility of further integration which might make the Wage Claim Adjustment Section a quasi-legal section to assist in collecting funds due employees for both (1) wage claims and (2) underpayment under minimum wage orders. In such an event, the minimum wage inspectors would be given responsibility in their areas for wage claim adjustment in the first instance.

The recommendations of this section would require certain changes in existing statutes (see Appendix B).

2. Establishment of a Wage-Order Section in the Wages and Hours Division

Recommendation:

A Wage-Order Section should be established within the Wages and Hours Division, with the functions of (a) determining the needs of intra-state employees with respect to new wage orders, (b) assisting Wage Boards in drafting new wage orders, and (c) reviewing existing wage orders periodically for coverage and adequacy in the light of changing conditions.

Discussion:

There does not appear to be adequate provision at present for the initiation and drafting of minimum wage orders, as distinct from their subsequent enforcement.

Drafting a minimum wage order requires performance of the following duties:

(a) The appointment of a special industry tripartite Wage Board.

(b) Gathering and providing information to the Wage Board on rates of pay in the industry and the minimum cost of living necessary to health.

(c) Considering, accepting, or rejecting the Wage Board's findings (including such regional, sex, and age distinctions as are included).

(d) Publishing the wage order with administrative regulations.

(e) Conducting a public hearing on the order and the regulations.

(f) Approving or disapproving the final order.

These duties are now performed largely by (a) the Director of the Minimum Wage Division and clerical assistants, (b) the part-time assistance of the Research Associate of the Bureau of Labor-Statistics, (c) such legal assistance as can be procured, (d) the part-time assistance of the minimum wage inspectors in gathering data, (e) Miscellaneous help, and (f) the Commissioner of Labor. There is no unit responsible for initiating proposals for new wage orders, or revision of existing orders, and working with Wage Boards in drafting them. The Division is organized to enforce existing wage orders rather than to establish new ones.

The main reasons for recommending the establishment of a Wage-Order Section are:

(a) Systematic appraisal of wage-order coverage in the state requires the undivided attention of trained personnel. Minimum wage coverage of intra-state workers is still far from complete. Moreover, minimum wage rates become obsolete rather rapidly because of changes in general wage and price levels; present arrangements are inadequate to ensure revision of wage orders to meet changing conditions.

(b) The Director of the Minimum Wage Division should not be required to perform the actual operative duties connected with establishing a new wage order. He is the sole supervisor of the minimum wage inspectors and the wage claim adjusters, and supervision is certain to lag if the Director's time is absorbed with the drafting of wage orders.

Creation of the recommended section would require statutory authority (see Appendix B).